

# NOTICE TO OFFERORS

EFFECTIVE JULY 1, 2003

THE STATE PROCUREMENT OFFICE HAS

DISCONTINUED PLACING PROCUREMENT NOTICES IN THE NEWSPAPER

FOR CHAPTER 103D, HAWAII REVISED STATUTES, PROCUREMENTS.

Pursuant to HAWAII ADMINISTRATIVE RULES §3-122-24, Chapter 103D  
procurement notices will be placed on the Internet at:

<http://www2.hawaii.gov/bidapps/>

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## NOTICE TO INTERESTED PARTIES

**This solicitation** is provided to you for information purposes only and **is not an official document**. If submitted as an offer, the State Procurement Office (SPO) will not accept it as a valid offer. It will be automatically rejected **and will not be considered for award**.

To obtain an official copy of the solicitation (evidenced by the procurement officer's signature), including any addenda to the document, interested party must contact the SPO, telephone (808) 586-0573; facsimile (808) 586-0570; or by e-mail at robert.zamarron@hawaii.gov. Please provide name of company, address, phone number, fax number, and name of contact person. Unless party provides the SPO with its Fedex (or equivalent) account number, the document will be sent by U.S. Postal Service first class mail.

## STATE PROCUREMENT OFFICE

LEGAL AD DATE: NOVEMBER 10, 2003

### REQUEST FOR PROPOSALS NO. RFP-04-036-SW

### SEALED PROPOSALS AND PRICING

FOR

### BILLING AND COLLECTION SERVICES FOR DEPARTMENT OF HEALTH EMERGENCY MEDICAL SERVICES AND INJURY PREVENTION SYSTEM BRANCH

WILL BE RECEIVED UP TO AND OPENED AT 2:00 P.M. (HST) ON

DECEMBER 11, 2003

IN THE STATE PROCUREMENT OFFICE, KALANIMOKU BUILDING, 1151 PUNCHBOWL STREET, ROOM 416, HONOLULU, HAWAII 96813. DIRECT QUESTIONS RELATING TO THIS SOLICITATION TO CAROLDYNNE YAMASHITA, TELEPHONE (808) 586-0566, FACSIMILE (808) 586-0570 OR E-MAIL AT carol.yamashita@hawaii.gov.

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Robert J. Govers, CPPB  
Procurement Officer

**RFP-04-036-SW**

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Name of Company

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## **SECTION ONE**

### **INTRODUCTION AND SIGNIFICANT DATES**

#### **1.1 TERMS AND ACRONYMS USED HEREIN**

Procurement Officer	=	The contracting officer for the State of Hawai'i Procurement Office.
SPO	=	State Procurement Office of the State of Hawai'i, located at 1151 Punchbowl Street, Room 416, Honolulu, Hawaii 96813; P. O. Box 119, Honolulu, Hawai'i 96810-0119.
Bidder or Offeror	=	Any individual, partnership, firm, corporation, joint venture, or other entity submitting directly or through a duly authorized representative or agent, a bid for the goods, services, or construction contemplated.
HRS	=	Hawai'i Revised Statutes
HAR	=	Hawai'i Administrative Rules
GTC	=	General Terms and Conditions dated September 1, 1995 and issued by the SPO.
IFB	=	Invitation for Bids
RFP	=	Request for Proposal.
GET	=	General Excise Tax.

#### **1.2 INTRODUCTION**

The purpose of this RFP is to solicit proposals from a qualified and experienced contractor to provide comprehensive billing and collection services rendered by emergency medical transportation ambulance services for the Hawai'i State Department of Health (DOH), Emergency Medical Services and Injury Prevention System Branch (EMSIPSB).

#### **1.3 BACKGROUND**

The DOH's EMSIPSB is responsible for administering the State's comprehensive emergency medical services (EMS) system including the expansion and enhancement of the system. The intent of this system is to reduce deaths, injuries, and permanent long-term disabilities occurring from medical emergencies through an integrated system of services. To accomplish this mission, the DOH contracts with various public and private entities to ensure statewide emergency services coverage. Recent statistics indicate that the State's EMS system responds to approximately 70,000 events per year with approximately 52,000 patients transported, the majority of which are for serious medical emergencies.

Prior to 1978, Hawai'i lacked a comprehensive EMS system that served the entire State. Such a system, designed to protect and preserve the health of Hawai'i's people, was created by the Legislature in 1978 through Act 148. The Legislature's intent was to expand the scope of advanced EMS and to ensure that no one would be denied such services based on ability to pay. The DOH was assigned the responsibility for the establishment of this comprehensive and integrated EMS system

The EMSIPSB is responsible for the State's comprehensive EMS system with specific functions and duties that include the establishment of standards for EMS and systems, regulating ambulance and ambulance services, coordinating and allocating emergency medical resources and collecting and evaluating data for the continued evaluation of the State's EMS system.

A State EMS Advisory Committee was created to advise on all matters relating to the EMS system. The committee is comprised of twenty (20) members, including three (3) nonvoting, ex-officio members and seventeen (17) members appointed by the governor to represent the State's four (4) counties. Of the seventeen (17) members, five (5) are physicians experienced in EMS, four (4) are health care consumers, four (4) are allied health professionals, and four (4) are emergency medical technicians (EMTs) or mobile intensive care technicians (MICTs) representing each of the four counties. The committee monitors, reviews and evaluates, on an ongoing basis, the operations, administration and efficacy of the State's EMS system. It further prepares and submits periodic assessments relating to the State's EMS system and seeks public input to ensure that the system's needs are met.

EMSIPSB is organized under the DOH's Health Resources Administration (HRA) and is comprised of five (5) sections. A program manager heads the Branch and is responsible for administering contractual arrangements for the provision of emergency ambulance services statewide. The manager also is responsible for billing and collecting fees for emergency ambulance services statewide, planning and developing fiscal plans and allocating resources for the effective and economical operations of the system and overseeing the daily operations of the Branch.

EMSIPSB is funded primarily through the State's general fund. General fund appropriations for EMS have increased by almost sixteen (16) percent over the past five (5) years, from \$31.5 million in FY 1997-98 to \$35 million in FY 2000-04. The number of current general funded positions appropriated is thirteen (13) full-time equivalent (FTE) positions, an increase of one (1) position over the previous four (4) fiscal years. Federal funds represent less than two (2) percent of the total EMS funding for FY 2001-02.

Specific objectives of EMSIPSB are to develop an EMS system master plan based on a statewide needs assessment, administer EMS system funds, coordinate the activities of existing state, county and private sector services to avoid duplication of services and administer the system's various components, including but not limited to communication, transportation, medical record keeping and training.

To achieve these objectives, EMSIPSB operates the following sections:

*Billing and Collection* – bills, collects, and maintains accounts receivable for emergency ambulance services provided statewide.

*Standards Development and Review* - inspects and licenses ambulances, ensures that standard forms are used for reporting EMS. Provides continuous monitoring and evaluation of the system and its components, identifies the readiness and capability of hospitals, assesses resources for critical care and monitors and maintains the statewide medical communication system.

*Systems Management* – assesses personnel requirements and resources for staffing ambulances, coordinates training and the development of emergency response capability, ensures involvement of state and county emergency medical services advisory councils in planning, assists in the dissemination of public information and implements emergency "911" telephone systems and ensures continuous planning and evaluation of the system.

*Emergency Health Mobilization* – assists public and private agencies with disaster plan development to ensure a coordinated health response.

*Injury Prevention and Control* – plans, implements and evaluates targeted injury prevention strategies and interventions.

Pursuant to Section 321-228, HRS, the DOH may contract to provide EMS for the State's EMS system. Counties may apply to the State to operate ambulance services within their respective jurisdictions. If a county does not apply to provide its own ambulance services, the department must operate such services or contract with a private agency in that county. In all cases, the department retains the authority to determine the provider of emergency medical ambulance services throughout the State.

The City and County of Honolulu and Hawai'i County provided their respective ambulance services via contracts with the DOH. A private agency, American Medical Response (AMR), contracted to provide ambulance services on Maui, Molokai, Lanai and Kauai.

In accordance with Section 321-232, HRS, the DOH has established fees for ambulance services rendered to the public. However, according to legislative intent, ambulance and other EMS should not be denied to any person on the basis of inability to pay for such services. The department charges \$375 for basic life support services, \$400 - \$450 for advanced life support services and \$2,250 for helicopter aeromedical services on the island of Hawai'i for each person treated and transported.

The department may increase fees annually. The increase shall be based on projected revenue collected to equal at least half of the preceding fiscal year's ambulance services direct contract costs. However, fees may not be increased more than ten (10) percent per year. All revenues are deposited into the State's general fund, except for amounts necessary to provide for collection services on bad debt accounts.

The State of Hawai'i by mandate provides the following levels of ambulance transports:  
Advanced Life Support (ALS) 1  
Advanced Life Support (ALS) 2  
Specialty Care Transport (SCT)  
Advanced Life Support (Air)

### **Account History**

Current billing information for the State is as follows:

Average number of ambulance transport billings per month – 4,160  
Average number of miscellaneous invoices per month – 5 to 7,000  
Average number of second and third delinquent notices per month – 6 to 8,000  
Average number of accounts assigned to collection agency - 750

## **1.4 TERM OF CONTRACT**

The term of contract shall be for three (3) years commencing on March 1, 2004 through February 28, 2007 with options to extend, by mutual agreement, for five (5) additional twelve-month periods.

## **1.5 RFP SCHEDULE-SIGNIFICANT DATES**

The schedule set out herein represents the State's best estimate of the schedule that will be followed. If a component of this schedule, such as Closing Date – proposal due date, is delayed, the rest of the schedule will likely be shifted by the same number of days. The approximate schedule is as follows:

<u>Activity</u>	<u>Scheduled Date</u>
Advertisement of RFP	November 10, 2003
Deadline for receipt of letter of intent	November 24, 2003
Deadline for submission of questions	November 24, 2003
Closing Date – proposal due	December 11, 2003
Optional interviews with priority listed offerors	December 18, 2003
Proposal review period	December 19, 2003 – January 2, 2004
Best & Final Offers due	January 15, 2004
Contractor selection and award	January 31, 2004
Agreement start date	March 1, 2004

## **1.6 OFFEROR'S QUESTIONS**

Offerors are encouraged to submit written questions prior to the date specified in the RFP schedule. Informal questions and questions received over the telephone will not be accepted. Replies to questions will be recognized as official only if the offeror submits the questions in writing, is provided a written reply by the SPO and such questions and answers are made a part of the RFP by addendum.

## **1.7 LETTER OF INTENT**

A non-binding Letter of Intent to submit a proposal in response to this RFP must be received by the SPO by the deadline specified in the RFP Schedule. An offeror not submitting a Letter of Intent shall not be precluded from submitting a proposal. However, only those offerors who have submitted a Letter of Intent will receive official responses to offerors' questions and other communications as required. Telefaxed letters will be accepted.

## **1.8 AUTHORITY**

This request for proposals is issued under the provisions of Chapter 103D, HRS. All prospective offerors are charged with presumptive knowledge of all requirements of the cited authorities. Submission of a valid executed proposal by any prospective offeror shall constitute admission of such knowledge on the part of such prospective offeror.

## **SECTION TWO** **SCOPE OF WORK**

### **2.1 INTRODUCTION**

The contractor shall be responsible to promptly bill and collect all emergency medical transport ambulance services fees and charges due to the Hawai'i State Department of Health, Emergency Medical Services and Injury Prevention Systems Branch (EMSIPSB).

Contractor and Hawaii State Department of Health, EMSIPSB responsibilities associated with the agreement are identified herein.

### **2.2 COMPENSATION**

Payment will be made to the contractor only upon or after the contractor has provided a monthly invoice based upon the **number of accounts** entered into an EMS Accounts Receivable Management System.

### **2.3 GENERAL REQUIREMENTS**

#### **2.3.1 Contractor Tasks and Responsibilities**

The Contractor shall be able to be in operation and function at the start of the contract period with an automated data processing system capable of accepting electronic account file transfer on payments and remittance information from the EMSIPSB database. The Contractor shall provide the software and hardware that is Health Insurance Portability and Accountability Act (HIPAA) compliant that captures patients by file number assigned by the EMSIPSB.

The Contractor shall have the capability to invoice patients or third party payers/insurance providers within five (5) business days of receipt of billing information provided by EMSIPSB from Ambulance Report Forms (ARF). The Contractor shall create fully itemized invoices and statements showing all procedures and supplies properly coded by type of payer. The Contractor shall be able to show claim submission date, follow-up payments on accounts receivables, source of payment, and automatic audit trail up to collection assignment. The Contractor shall perform these billing functions with no additional cost for all mailings including postage, data mailers or telephone collections performed.

The Contractor shall maintain accurate records of all billing and collection transactions including staff of account representatives and that is in accordance with generally accepted bookkeeping and accounting principles and practices. The Contractor shall assure accuracy of all account file information with updateable information such as patient name, address, city, state, age, phone number, sex, marital status, insurance, alternate source of payment, diagnosis, collection follow-up notes, etc. The Contractor shall have the ability to retain a record of changes to the patient account and to cross reference patient files in various methods such as last name, social security number, address, date of birth, ARF number, etc.

The Contractor shall have the ability to handle third party payer submissions and inquiries regarding insurance claims and shall electronically convey all Medicare and Medicaid invoices to the appropriate payer. The Contractor shall identify all secondary insurance, co-insurance and co-payments for Medicare and Medicaid and promptly transfer billing to the appropriate pay source.



The Contractor shall secure the necessary documented permission to bill private insurance, supplemental insurance, secondary insurance and workers compensation in accordance with applicable requirements. The Contractor shall be responsible to follow bill to adjudication with Medicare, Medicaid and private insurance.

The Contractor shall submit a typical billing schedule by account type and a summary of Contractor's collection methods with specific time frames used for these methods to include but not be limited to the terming of various types of bills and statements, delinquent notices and follow-up correspondence with patients and other third party payers and the criteria used to deem accounts for approval from EMSIPSB.

The Contractor shall provide all follow-up work required to collect payments that includes additional correspondence and telephone calls which will be individualized and in a form and method acceptable to EMSIPSB. The Contractor shall refer all cash accounts aging over 120 days to EMSIPSB for write off or for further action by a collections agency unless special payment arrangements have been made by the Contractor with the patient and/or third party payer.

The Contractor shall accept payments directly and within one (1) business day, deposit such payments into the State's General Bank Account. The Contractor shall post payments to the patient records within one (1) business day of receipt.

The Contractor shall create and transmit a monthly report detailing deposits, adjustments, refunds and balances within five (5) business days of the month end.

The Contractor shall be responsible for program updates for all insurance programs if the requirements change during the contract period.

The Contractor shall outline in their response to the RFP, procedures that will be used by the Contractor involving incidents associated with insufficient funds/returned checks.

The Contractor shall furnish all equipment, personnel, computer hardware, software, billing forms, insurance forms, lien forms, and supplies necessary to function on a daily basis in the administration of this contract. The Contractor shall provide patient and insurance customer assistance with a minimum of three (3) toll free phone numbers at no additional cost to EMSIPSB.

The Contractor agrees that all account files and information are the property of the EMSIPSB and relinquishes all active account files to EMSIPSB at termination of the contract.

The Contractor shall assure the confidentiality, security and safety of all account files, documents, computer files, etc.

The Contractor agrees to abide by provisions of all applicable laws of the State of Hawai'i and the Federal government.

### **2.3.2 Management**

**Administration.** The Public Health Administrative Officer (PHAO) is designated the Contract Administrator for EMSIPSB and will serve as the primary liaison with the Contractor during the term of the contract. The Chief, EMSIPSB or designee will chair status meetings,

oversee scheduling of internal resources, provide overall direction during the agreement term, and monitor and assess the Contractor's performance.

The Contractor shall send the Contractor's designated project officer or project assistant to attend any status meetings.

The Contract Administrator will monitor the status of the Contractor's work through status meetings with the Contractor and review of monthly status reports to be submitted by the Contractor.

**Authorization to Proceed.** The EMSIPSB does not encourage, and will not in any way be bound by, work performed on behalf of the EMSIPSB without approval of the Contract Administrator. Any work performed by the Contractor prior to the approval by the Contract Administrator to proceed is done at the Contractor's own risk.

**Status Reports.** Contractor must be able to provide at the onset of the contract, daily, monthly, ad hoc and annual reports. These reports must demonstrate clear audit trails, detailed payment adjustments and account balance experience by account. Reports must be in accordance with general accounting principles and practices. Status reports include but are not limited to, Monthly Billing Survey, Monthly Sales Journal, Monthly Cash Receipts Journal, Monthly Receivables Aging, Management Accounts Receivable Analysis, Statistical Reports, Quarterly Internal Compliance Audit and Annual Report.

## **SECTION 3**

### **PROPOSAL FORMAT AND CONTENT**

#### **3.1 INTRODUCTION**

One of the objectives of this RFP is to make proposal preparation easy and efficient, while giving offerors ample opportunity to highlight their proposal. The evaluation process must also be manageable and effective. When an offeror submits a proposal, it shall be a complete plan for accomplishing the tasks described in this RFP and any additional tasks the offeror has identified as necessary to successfully provide the services required.

The offeror shall prepare a written proposal, in a narrative format, that will fully describe the services and compensation schedule the offeror proposes in response to this RFP. The proposal shall be organized into sections with tabs separating each section listed below. Offeror shall include, without limitation, all of the information requested in this RFP in the order specified.

- Transmittal Letter
- Executive Summary
- Contractor Background and Experience
- Personnel: Project Organization and Staffing
- Approach
- Management and Control
- Budget and Fees, or Schedule or Formula for Determining Fees
- References
- Exceptions

#### **3.2 TRANSMITTAL LETTER**

The transmittal letter must be included as part of the offeror's technical proposal. The transmittal letter must be on the offeror's official business letterhead and must be signed by an individual or individuals authorized to legally bind the offeror and be affixed with the corporate seal, if any.

The Transmittal Letter shall include the following:

##### **3.2.1 Terms and Conditions**

A statement that the offeror understands and will comply with all terms and conditions in the RFP.

##### **3.2.2 Legal Entity**

A statement indicating that the offeror is a corporation or other legal entity (which must be specified, i.e., corporation, partnership, joint venture, etc.), and indicating the jurisdiction where the offeror is organized.

##### **3.2.3 Federal Tax ID No.**

A statement setting forth the offeror's Federal tax identification number.

### **3.2.4 Prime Contractor**

A statement that the Contractor maintains an active and current certificate of registration under Chapter 443B, HRS. A true and accurate copy of its certificate of registration must be provided. Contractor shall also provide a statement that it will not subcontract or assign any work described in its proposal. A Hawaii Tax I.D. must also be provided.

### **3.2.5 Non-discrimination**

A statement of affirmative action that the offeror does not discriminate in its employment, and billing and collection practices with regard to race, color, religion, age (except as provided by law), sex, marital status, political affiliation, national origin, handicap, or disability.

### **3.2.6 Hawaii State Department of Health Approval of Contractor's Recommendations**

A statement that the Contractor agrees that the Hawaii State Department of Health reserves the right to disapprove Contractor recommendations without penalty when they conflict with the policy or fiscal interests of the SDOHEMS, as determined by the Contract Administrator.

### **3.2.7 Contact Person**

Include the name and telephone number of a person who may be contacted during the evaluation process to discuss the proposal.

## **3.3 EXECUTIVE SUMMARY**

The executive summary shall clearly and concisely summarize and highlight the contents of the proposal to provide the SDOHEMS with a clear and broad understanding of the entire proposal.

## **3.4 CONTRACTOR BACKGROUND AND EXPERIENCE**

The Contractor Background and Experience subsection shall include details on the background of the Contractor, its size and resources, financial statements, explicit details of Contractor experience relevant to the proposed contractor agreement, including a list of recent clients and transactions.

The Contractor Background and Experience subsection shall address each item as follows:

### **3.4.1 Contractor Background**

A separate section must be completed in the proposal for the contractor. Background information on the Contractor and its size and resources shall cover the following:

- Name of contractor
- Physical address
- Mailing address (if different from above)
- Date established

- Ownership (public or private company, partnership, subsidiary, etc.)
- Contractor's primary line of business

### **3.4.2 Financial Stability and Financial Commitment**

The offeror shall provide information on the offeror's financial stability, including the following: annual revenue over the last five years, number of employees for each of the last five years, years in business, evidence of business insurance for professional liability, and financial references (which may include audited financial statements, compiled financial statements, and references from banking relationships).

The offeror shall submit the offeror's audited financial statements and annual reports, if any, for the last two years.

In addition, the offeror shall describe the offeror's ability and willingness to commit to the contingency type of compensation contemplated by this RFP.

### **3.4.3 Contractor Performance**

The offeror shall provide information that will demonstrate the following:

- Responsiveness to previous clients
- Timeliness of meeting schedules
- Adherence to contract requirements of previous clients
- Availability and accessibility to previous clients

### **3.4.4 Contractor Experience**

The details of offeror's experience relevant to the proposed agreement shall include a listing of the offeror's ambulance billing and collection experience, including a listing of experience obtained by senior management employees or officers, who will be primarily assigned to perform or oversee the work described in the offeror's proposal.

## **3.5 PERSONNEL: PROJECT ORGANIZATION AND STAFFING**

The project organization and staffing subsection shall include organization charts of proposed personnel and their job titles and responsibilities.

Resumes of all key personnel assigned to the project must be included in a proposal appendix, and should include information relating to each person's experience, education, and skills (including, but not limited to, specific degrees, dates, names of employers, and educational institutions), and at least three recent references.

The DOHEMS shall be notified of the addition or deletion of any key personnel assigned to this project. The Contract Administrator shall approve any addition or replacement of key personnel.

### **3.6 APPROACH**

The Approach section shall include a detailed discussion of the offeror's approach to providing ambulance billing and collection services contemplated under this RFP. The Approach section shall include a detailed discussion of the following:

#### **3.6.1 Collection of All Accounts Regardless of the Amount Owning**

Describe all methods that will be used to attempt to collect all fees owing to the Hawaii State Emergency Medical Services System. Health insurance claims to include:

- Medicare
- No-Fault Insurance
- Self pay
- Medicaid
- HMSA
- Kaiser
- HMAA
- Tricare

#### **3.6.2 How to Ensure Personal Health Information**

Hawaii's "Right to Privacy" laws require that the SDOHEMS maintain personal health information completely confidential. Describe all methods that will be used to ensure that records that are transferred for billing and collection will be kept secure and confidential.

#### **3.6.3 How to Maintain Positive Patron Relations**

One of the SDOHEMS concerns is that of positive patient relations. Although patients who have not paid their ambulance fees have disregarded their obligation to pay, these people are still important and the overall image of the SDOHEMS should not be compromised by inappropriate billing and collection tactics. Describe the procedures that will be used to effect collections but at the same time maintain positive patient relations.

#### **3.6.4 Description of Your Facility**

Provide a complete description of the facility that will be utilized for the billing and collection process, including the physical location, the equipment utilized to conduct billing and collections efforts, the number of employees you have and any security measures that are in place that will ensure the confidentiality and safety of patient files.

#### **3.6.5 Specific Methods You Will Utilize to Effect Collections**

Describe all methods that will be used in your collection efforts. If more than four statements are sent or more than one telephone contact is made, please include the number and frequency of letters and telephone contacts. When appropriate, include samples of letters or other documents you utilize.

### **3.6.6 Contract Closeout Procedures**

Prior to the completion or termination of the contract for collection services, both the offeror and SDOHEMS must agree to a plan for the closing of the contract. This plan shall identify the responsibilities of both parties on closeout or cutoff procedures, deadline schedules and compensation. Describe the plan and procedures you would use when terminating services to SDOHEMS at the conclusion of the contract.

### **3.7 MANAGEMENT AND CONTROL**

The Management and Control section shall include details of the method to be used in managing the project and controlling project activities, including details about the offeror's approach to interface with the State and the offeror's approach to ensuring quality and timeliness of activities and completion of tasks, and fulfillment of responsibilities, while ensuring security and confidentiality as necessary and documentation to fulfill requirements of the Hawaii State Department of Health's auditors.

This section shall also include a discussion of any conflict of interest the offeror may have in providing the services described in its proposal and any problems or concerns that the offeror wishes to bring to the SDOHEMS' attention. OFFERORS SHOULD NOTE THAT CONFLICTS OF INTEREST MAY BE GROUNDS FOR DISQUALIFICATION FROM CONSIDERATION.

### **3.8 REFERENCES**

Please give local references, including the name and address of the company or agency, and a person to contact at the company or agency. Other references, such as companies or agencies on the mainland, that believe are pertinent may also be included. References from governmental entities for which you do now, or have ever performed ambulance billing and collection services are of particular interest to the SDOHEMS.

### **3.9 EXCEPTIONS**

Offeror shall list any exceptions taken to the terms, conditions, specifications, or other requirements listed herein. Offeror shall reference the RFP section where exception is taken, a description of the exception taken, and the proposed alternative, if any.

### **3.10 RIGHT TO WAIVE MINOR IRREGULARITIES**

The Evaluation Committee reserves the right to waive minor irregularities. The Evaluation Committee also reserves the right to waive mandatory requirements provided that all the otherwise responsive proposals failed to meet the mandatory requirements and the failure to do so does not materially affect the procurement. This right is at the sole discretion of the Evaluation Committee.

## **SECTION 4 PROPOSAL EVALUATION**

### **4.1 INTRODUCTION**

The evaluation of proposals received in response to the RFP will be conducted comprehensively, fairly and impartially. Structural, quantitative scoring techniques will be utilized to maximize the objectivity of the evaluation.

### **4.2 EVALUATION ORGANIZATION**

An evaluation committee will review and evaluate all proposals submitted by the deadline specified in the RFP. The committee will include individuals with experience and knowledge of program services and financing.

The evaluation will be conducted in six phases:

- Phase 1 – Evaluation of mandatory requirements
- Phase 2 – Establishment of Priority List of offerors
- Phase 3 - Optional Interviews with Priority-listed offerors
- Phase 4 – Submission of Best and Final Offers
- Phase 5 – Final Evaluation of Proposals
- Phase 6 – Recommendation for Award

#### **4.2.1 Evaluation Categories and Thresholds – (Total Points – 100)**

<u>EVALUATION CATEGORIES</u>	<u>POSSIBLE POINTS</u>
Mandatory Requirements	Pass/No Pass
Proposal	
Understanding of the State's Needs	10 points
Offeror Background & Experience	20 points
Personnel: Project Organization & Staffing	10 points
Service Delivery Approach (Management & Control)	50 points
Financial (Budget and Fees)	10 points
TOTAL POSSIBLE POINTS	100 POINTS

### **4.3 PHASE 1 – EVALUATION OF MANDATORY REQUIREMENTS – (Pass/No Pass)**

The evaluation of the mandatory requirements shall be on a “pass/no pass” basis. No points shall be assigned for these requirements. The purpose of this phase is to determine whether an offeror’s proposal is sufficiently responsive to the RFP to permit a complete evaluation. Each proposal will be reviewed for responsiveness. Failure to meet the minimum requirements (“no pass”) will be grounds for deeming the proposal nonresponsive to the RFP and rejection of the proposal. Only those proposals meeting the following mandatory requirements (“pass”) of Phase 1 will be considered in Phase 2.



## MANDATORY REQUIREMENTS FOR THE PROPOSAL

Transmittal Letter  
Executive Summary  
Contractor Background and Experience  
Personnel: Project Organization and Staffing  
Service Delivery Approach (Management and Control)  
Financial (Budget and Fees including required forms or schedules in determining Fees)  
Provide at least three (3) references  
Program specific Requirements (as applicable)

### **4.4 PHASE 2 – ESTABLISHMENT OF PRIORITY LIST OF OFFERORS**

All offerors who pass Phase 1, Evaluation of Mandatory Requirements, shall be classified as “acceptable”. If there are more than five (5) “acceptable” offerors, then the evaluation committee shall rank order all the proposals by issuing preliminary scores for each proposal. A priority list of all acceptable offerors shall be established and limited to no more than the five (5) offerors who received the highest preliminary scores.

### **4.5 PHASE 3 – OPTIONAL INTERVIEWS WITH PRIORITY-LISTED OFFERORS**

During the course of this phase, the EMSIPSB may request interviews only with priority-listed offerors. Proposals may be accepted without such interviews. The EMSIPSB may require on-site visits to locations at which the priority-listed offerors intend to provide contractor services.

### **4.6 PHASE 4 – SUBMISSION OF BEST AND FINAL OFFERORS**

The priority-listed offerors’ best and final offer must be received by the Procurement Officer, SPO, no later than 4:00 p.m. H.S.T., on the date specified in the RFP Schedule. If a best and final offer is not submitted, the previous submittal will be construed as the best and final offer. After the best and final offers are received, final evaluations will be conducted for an award.

### **4.7 PHASE 5 – FINAL EVALUATION OF THE PROPOSAL – (100 Total Possible Points)**

During this phase, the EMSIPSB shall conduct final evaluation on the offeror’s proposal against requirements specified in this RFP.

#### **4.7.1 Understanding of the Project – 10 Points**

Proposals will be evaluated against the following criteria:

- Has offeror demonstrated a thorough understanding of the purpose and scope of the project?
- How well has the offeror identified pertinent issues and potential problems?
- Has the offeror demonstrated that it understands the nature and extent of the services the EMSIPSB expects it to provide?
- Has the offeror demonstrated that it understands the EMSIPSB time schedule and can meet it?

## **4.7.2 Offeror's Background and Experience – 20 Points**

The EMSIPSB will evaluate the experience, performance, resources, qualifications and capability of the offeror and subcontractors (if any). References will be verified and findings, incorporated into the evaluation.

### **4.7.2.1 Offeror Background**

Background information provided about the offeror and its size and resources will be evaluated by EMSIPSB, including whether or not the offeror has provided sufficient general background information to make such an evaluation. The offeror shall demonstrate that it has the necessary skills, abilities, knowledge of, and experience relating to the delivery of the proposed services.

### **4.7.2.2 Financial Stability and Financial Commitment**

The EMSIPSB will evaluate the financial condition of the offeror to determine whether, in its opinion, the offeror has sufficient financial resources to meet all the terms of the contract.

Specifically, the proposal will be evaluated against the following criteria:

- Has the offeror submitted financial statements that provide sufficient reliable information to determine the financial condition and stability of the offeror?
- Does the offeror possess sufficient financial resources to perform the agreement from the onset of the contract?

### **4.7.2.3 Offeror Performance**

The committee will evaluate relevant performance references to determine:

- Has the offeror been responsive to previous clients?
- Has the offeror been timely in meeting all deliverables?
- Does the offeror adhere to contract requirements of previous clients?
- Has the client responded to previous clients with available and accessible resources?
- Has the offeror demonstrated its capability to coordinate services with other agencies and resources in the community?
- Success rate of billings and collections.

### **4.7.2.4 Offeror's Experience**

The committee will evaluate the offeror's experience in acting in a similar contract circumstance with the following specific criteria:

- Experience in completing or supporting billing and collection services within the most recent five (5) years.
- Experience in developing strategies to bill and collect outstanding or delinquent accounts.
- Experience in providing billing and collection services for public agencies.

#### **4.7.3 Personnel: Project Organization and Staffing – 10 Points**

The evaluation of project organization and staffing will involve detailed criteria evaluating the offer's overall staffing approach to the project, qualifications of key personnel assigned to the project, and the past performance of the organization and the individuals. The proposed project organization and staffing resources will be evaluated to assess the offeror's capability to provide billing and collection services to EMSIPSB. References for proposed individuals assigned to this proposed project will be checked and included in the evaluation of this section. Reference checking is not limited to only those references supplied by the offeror. The evaluation criteria under this section are:

- Approach and rationale for the organizational structure, functions and staffing proposed for the overall project and project tasks;
- Approach and rationale for the number and types of personnel proposed;
- Key Personnel Resumes  
(The evaluation committee will evaluate the key management personnel and other key personnel proposed for the project based on the experiences listed under the individual resumes.);
- Experience in developing strategies to minimize the cost of labor in providing billing and collection services; and
- Description of its ability to supervise, train and provide administrative direction relative to the delivery of the proposed services.

#### **4.7.4 Service Delivery Approach (Management & Control) – 50 Points**

Evaluation criteria for this section will assess the offeror's detailed approach and discussion of the project. Specifically, proposals will be evaluated against the following criteria:

- Understanding of the applicable federal and state laws, regulations, policies and procedures;
- Adequacy of approach to meeting the requirements specified in the scope of work;
- Adequacy of management and control mechanisms to successfully complete the project; and
- Adequacy of contract closure procedures

##### **4.7.4.1 Understanding of Federal And State Laws, Regulations, Policies and Procedures.**

Proposals will be evaluated for the adequacy of the offeror's understanding of federal and state laws, regulations, policies and procedures relating to billing and collection principles and practices. Such requirements may affect the ability of the timeliness of the tasks of the contract. The evaluation committee must be assured that the offeror is capable of dealing with the requirements of all Hawai'i and federal laws.

##### **4.7.4.2 Adequacy of Approach to Meeting the Requirements Specified in the Scope of Work.**

The evaluation committee will evaluate the adequacy of the approach proposed to satisfy the requirements specified in the scope of work including (if indicated), a work plan of all service activities and tasks to be completed, related work assignments and responsibilities and timelines and schedules.

#### **4.7.4.3 Adequacy of Management and Control Mechanisms to Successfully Complete the Project.**

The offeror's approach to project managements and project control methods and tools to successfully complete the project services described in its proposal will be evaluated. The offeror will address and proposals will be evaluated against the following criteria:

- Management approach;
- Authority of the Project Manager (if appropriate);
- Project control approach (including demonstrated previous use of control methods and tools to successfully provide services);
- Approach to interface with EMSIPSB;
- Approach to quality assurance and evaluation of tasks completed and fulfillment of responsibilities;
- Approach to security and confidentiality of information protected under federal and state laws; and
- Clarity of work assignments and organizational roles, responsibilities, and authorities.

An assessment of the preliminary detailed work plan, including an appraisal of the logic of the work plan, the interfacing with EMSIPSB staff, and a calculation of the realism of the tasks and schedules will be part of the evaluation.

#### **4.7.4.4 Adequacy of Contract Closing Procedures**

The evaluation committee will review the closeout procedures for adequacy and fairness to EMSIPSB and offeror.

#### **4.7.5 Financial (Budget and Fees) – 10 Points**

The evaluation committee will analyze the offeror's proposed budget and any pricing or schedule of fees and strongly encourages a use of one (1) pricing structure for each service delivery. All budget forms must be in compliance with state procurement requirements.

### **4.8 PHASE 6 – RECOMMENDATION FOR AWARDS**

The evaluation committee will prepare a report summarizing findings and rankings and will make the final recommendation for selection of the contractor.

## **SECTION FIVE SPECIAL PROVISIONS**

### **5.1 SCOPE**

The offer to provide Billing and Collection Services to assist the DOH, EMSIPSB to promptly collect all outstanding emergency medical transportation ambulance services fees and charges due the EMSIPSB from patient users and third party payers shall be in accordance with these Special Provisions, the attached Specifications, and the GTC, included by reference and available at the SPO, the Department of Accounting and General Services District Offices on Hawaii, Maui and Kauai, and on the SPO website: <http://www2.state.hi.us/bidfiles/spogtgs.pdf>.

### **5.2 OFFEROR QUALIFICATIONS**

Offeror shall meet the following qualification requirements. If offeror fails to meet any qualification requirements, the State shall not consider offeror's proposal for award of contract.

- a. Offeror shall be registered as a collection agency with the Professional and Vocational Licensing Division, Department of Commerce and Consumer Affairs (DCCA), State of Hawaii. Offeror shall provide proof of registration with the DCCA as a bona fide business entity for billing and collection services.
- b. Offeror shall provide proof of a minimum of three (3) years of previous experience billing for ambulance transportation services.
- c. Offeror shall provide at least three (3) references, including name of agency, contact person, address and telephone number. At least one (1) of the three (3) references provided must be an emergency ambulance company of agency offeror that is currently contracted with to provide billing and collection services.
- d. Offeror shall provide a copy of their compliance program policies and procedures that must meet the minimum guidelines established by the Office of Inspector General's "Compliance Program Guidance For Third-Party Medical Billing Companies".
- e. Offeror shall provide a copy of their Health Insurance Portability and Accountability Act of 1996 (HIPAA) compliance program that meets the legal requirements established by the act.
- g. Offeror must demonstrate that all computer software is certified as defined in HIPAA and must agree to a Business associate Agreement as further defined by the Act.
- h. Offeror shall identify all owners, management personnel and supervisory personnel by name, position and experience in billing and collections for emergency ambulance services.

### **5.3 TERM OF CONTRACT**

Successful offeror shall be required to enter into a formal written contract to commence work on this project.

The term of contract shall be for the three (3) year period commencing on **March 1, 2004 through February 28, 2007**. The contract may be extended for five (5) additional twelve-month periods or any part thereof if mutually agreed upon in writing prior to contract expiration. The Contractor or State may terminate the extended contract period at any time upon 120-calendar days prior written notice.

#### **5.4 CONTRACT ADMINISTRATOR**

For purposes of this contract, the EMSIPSB Public Health Administrative Officer (PHAO) or authorized Representative is designated the Contract Administrator. The Contract Administrator's phone number is (808) 733-9210.

#### **5.5 SUBMISSION OF PROPOSAL**

Submission of a proposal shall constitute an incontrovertible representation by the offeror of compliance with every requirement of this RFP, and that the RFP documents are sufficient in scope and detail to indicate and convey reasonable understanding of all terms and conditions of performance of the work. Before submitting a proposal, each offeror must:

- a. Examine the solicitation documents thoroughly. Solicitation documents include this RFP, any attachments and any other relevant documentation.
- b. Become familiar with State, local, and federal laws, ordinances, rules, and regulations that may in any manner affect cost, progress, or performance of the work specified herein.

Each offeror may submit only one (1) proposal. Alternate proposal(s) will not be accepted.

Offers shall be received at the SPO, 1151 Punchbowl Street, Kalanimoku Building, Room 416, Honolulu, Hawaii 96813, no later than the date and time stated on the cover page of the RFP. Timely receipt of offers shall be evidenced by the date and time registered by the SPO time stamp clock. Offers received after the deadline shall be returned unopened.

If the offeror chooses to deliver its offer by United States Postal Service (USPS), please be aware that the USPS does not deliver directly to Room 416. This may cause a delay in receipt by the SPO and the offer may reach the SPO after the deadline, resulting in automatic rejection.

#### **5.6 PROPOSAL PREPARATION**

- a. **OFFER FORM, page OF-1.** See Attachment 1. Proposals shall be submitted using Offeror's exact legal name as registered with the Department of Commerce and Consumer Affairs, if applicable. Offeror shall indicate its exact legal name in the appropriate spaces on Offer Form page OF-1. Failure to do so may delay proper execution of the contract.

Offeror's authorized signature shall be an original signature in ink. If Offer Form, page OF-1, is unsigned or the affixed signature is a facsimile or a photocopy, the offer shall be automatically rejected unless accompanied by other material, containing an original signature, indicating the offeror's intent to be bound.

- b. **Offer Guaranty.** An offer guaranty is NOT required for this RFP.

- c. **Tax Clearance.** Pursuant to §103D-328, HRS, successful Offeror shall be required to submit a tax clearance certificate issued by the Hawaii State Department of Taxation (DOTAX) and the Internal Revenue Service (IRS).

**To facilitate this requirement, Offeror is urged to submit a valid tax clearance certificate together with the offer.** However, if this is not feasible, the certificate should be applied for at DOTAX or the IRS and submitted to the SPO as soon as possible. If a valid certificate is not submitted on a timely basis prior to award of the contract, an offer otherwise responsive and responsible may be rejected and not considered for award.

The certificate is valid for six months from the most recent approval stamp date on the certificate. The certificate must be valid on the date it is received by the SPO.

The tax clearance certificate shall be obtained on the State of Hawaii, DOTAX *TAX CLEARANCE APPLICATION* Form A-6 (rev. 1998) which is available at the DOTAX and IRS offices in the State of Hawaii or the DOTAX website, and by mail or fax:

DOTAX Website (Forms & Information): <http://www.state.hi.us/tax/tax.html>

DOTAX Forms by Mail: (808) 587-7572  
1-800-222-7572

DOTAX Forms by Fax: (on Oahu) (808) 587-7572  
(outside Oahu) (808) 678-0522

Completed tax clearance applications may be mailed to one of the district tax offices listed on the application or faxed to one of the following numbers:

IRS:		(808) 541-1976
DOTAX:	Oahu	(808) 587-1720 or (808) 587-1488
	Maui	(808) 984-8522
	Kauai	(808) 274-3461
	Hawaii	(808) 974-6300

(If mailed, out-of-state offerors should send their application to DOTAX Oahu District Office.)

**The application for the clearance is the responsibility of the Offeror and must be submitted directly to the DOTAX or IRS, and not to the SPO.**

**NOTE:** Contractor is required to submit a tax clearance certificate for final payment on the contract. Refer to INVOICING of these special provisions.

- d. **Tax Liability.** Work to be performed under this solicitation is a business activity taxable under Chapter 237, HRS, and vendors are advised that they are liable for the Hawaii GET at the current 4% rate. If, however, an offeror is a person exempt by the HRS from

paying the GET and therefore not liable for the taxes on this solicitation, offeror shall state its tax exempt status and cite the HRS chapter or section allowing the exemption.

- e. **Original Proposal and Copies to be Submitted.** Offeror shall submit one (1) original proposal marked "ORIGINAL" and five (5) copies of the original marked "COPY". It is imperative to note that the offeror submit only one original and the required number of copies. DO NOT SUBMIT MORE THAN ONE ORIGINAL.

Offeror is encouraged to submit typewritten offers. If handwritten, it should be clearly printed. Offeror is cautioned that illegible offers of any item(s) may be automatically rejected to avoid any errors in interpretation by the reviewers during the evaluation process.

- f. Copies of documents transmitted by offerors via facsimile machines shall be limited to the Notice of Intent to Offer, and modifications or withdrawal of an offer pursuant to Sections 3-122-108 and 3-122-28, HAR, respectively.
- g. **Wage Certificate.** Refer to Section 2.8 of the GTC. Contractor shall complete and submit the attached Wage Certificate by which Contractor certifies that the services required will be performed pursuant to Section 103-55, HRS. See Attachment 2 of *Section Five* for the Wage Certificate form.

At the time of this solicitation, although there are no public employee positions listed in the classification plan of the public sector that are similar, however, offeror must sign the Wage Certificate to show compliance with Section No. 1 of the certificate.

## **5.7 COST OF RFP**

The offeror shall be responsible for all costs incurred in preparing or responding to this RFP. The State of Hawaii will not reimburse such costs. All materials and documents submitted in response to this RFP become the property of the State and will not be returned.

## **5.8 ECONOMY OF PRESENTATION**

Proposals shall be prepared in a straightforward and concise manner, in a format that is reasonably consistent and appropriate to the purpose. Emphasis shall be on completeness and clarity of content. If any additional information is required by the State regarding any aspect of the offeror's proposal, it shall be provided within two (2) business days.

## **5.9 REQUIRED REVIEW**

Offeror shall carefully review this solicitation for defects and questionable or objectionable matter. Comments concerning defects and questionable or objectionable matter must be **made in writing and should be received by the SPO prior to the Proposals Due date.** This will allow issuance of any necessary amendments to the RFP. It will also help prevent the opening of a defective solicitation and exposure of offeror's proposal upon which award could not be made.

## **5.10 QUESTIONS PRIOR TO OPENING OF PROPOSALS**

All questions must be submitted in writing and directed to the SPO. The State will respond to written questions by the date indicated in *Section One*, or as amended.



## **5.11 CONFIDENTIAL INFORMATION**

If a person believes that any portion of a proposal, offer, specification, protest, or correspondence contains information that should be withheld as confidential, then the Procurement Officer named on the cover of this RFP should be so advised in writing and provided with justification to support confidentiality claim. Compensation methodology is not considered confidential and will not be withheld.

**An offeror shall request in writing nondisclosure of designated trade secrets or other proprietary data to be confidential. Such data shall accompany the proposal, be clearly marked, and shall be readily separable from the proposal in order to facilitate eventual public inspection of the nonconfidential portion of the proposal.**

Pursuant to Section 3-122-58, HAR, the head of the purchasing agency or designee shall consult with the Attorney General and make a written determination in accordance with Chapter 92F, HRS. If the request for confidentiality is denied, such information shall be disclosed as public information, unless the person appeals the denial to the Office of Information Practices in accordance with Section 92F-42(12), HRS.

## **5.12 CANCELLATION OF RFP AND PROPOSAL REJECTION**

The State reserves the right to cancel this RFP and to reject any and all proposals in whole or in part when it is determined to be in the best interest of the State, pursuant to Section 3-122-96, HAR.

The State shall not be liable for any costs, expenses, loss of profits or damages whatsoever, incurred by the offeror in the event this RFP is cancelled or a proposal is rejected.

## **5.13 PROPOSAL OPENING**

Proposals shall not be opened publicly, but shall be opened in the presence of two or more procurement officials. The register of proposals and offerors' proposals shall be open to public inspection after the contract is signed by all parties.

## **5.14 DISQUALIFICATION OF PROPOSALS**

The State reserves the right to consider acceptable only those proposals submitted in accordance with all requirements set forth in this RFP and which demonstrate an understanding of the problems involved and the scope of work. Any proposal offering any other set of terms and conditions, or terms and conditions contradictory to those included in this RFP, may be disqualified without further notice.

An offeror will be disqualified and the proposal automatically rejected for any one or more of the following non-exclusive reasons:

- Proof of collusion among offerors, in which case all proposals and offerors involved in the collusive action will be rejected.
- The offeror's lack of responsibility and cooperation as shown by past work.
- The proposal demonstrates noncompliance with applicable law.

- The proposal is conditional, incomplete, or irregular in such a way as to make the proposal incomplete, indefinite, or ambiguous as to its meaning.
- The proposal has any provision reserving the right to accept or reject award, or to enter into an agreement pursuant to an award, or provisions contrary to those required in the solicitation.
- The delivery of the proposal after the deadline specified in the timetable.

## **5.15 EVALUATION OF PROPOSALS**

The Procurement Officer, or an evaluation committee of at least three (3) State employees selected by the Procurement Officer shall evaluate proposals. The evaluation will be based solely on the evaluation criteria set out in Section Four, *Proposal Evaluation*, of this RFP.

Proposals shall be classified initially as acceptable, potentially acceptable, or unacceptable. Discussions may be conducted with priority listed offerors who submit proposals determined to be acceptable or potentially acceptable of being selected for award, but proposals may be accepted without such discussions.

If, during discussions there is a need for any substantial clarification or change in the RFP, the RFP shall be amended by an addendum to incorporate such clarification or change. Addenda to the RFP shall be distributed only to priority-listed offerors who submit acceptable or potentially acceptable proposals. These offerors shall be permitted to submit new proposals or to amend those submitted.

The date and time for offerors to submit their best and final offers, if necessary, will be indicated in Section One. If offeror does not submit a notice of withdrawal or another best and final offer, the offeror's immediate previous offer will be construed as their best and final offer.

## **5.16 OFFER ACCEPTANCE PERIOD**

The State's acceptance of offer, if any, will be made within sixty (60) calendar days after the opening of proposals. Offeror's proposal shall remain firm for the sixty (60) day period as provided in Section 3.2 of the GTC.

## **5.17 METHOD OF AWARD**

Award, if any, shall be made to the responsive, responsible offeror whose proposal is determined to be the most advantageous to the State taking into consideration the evaluation factors set forth in this RFP.

Prior to awarding the contract, the State will require verification of the following insurance coverage:

- |     |                        |     |                          |
|-----|------------------------|-----|--------------------------|
| (1) | Worker's Compensation  | (2) | Temporary Disability     |
| (3) | Unemployment Insurance | (4) | Prepaid Health Insurance |

## **5.18 CONTRACT EXECUTION AND TERM OF CONTRACT**

Successful offeror receiving award shall be required to enter into a formal written contract. NO performance or payment bond is required for this contract. Upon execution of the contract, a Notice to Proceed will be issued.

No work is to be undertaken by the Contractor prior to the official commencement date specified in the Notice to Proceed. The State of Hawaii is not liable for any work, contract, costs, expenses, loss of profits, or any damages whatsoever incurred by the Contractor prior to the official starting date.

If the State, solely at its option wishes to extend the term of this contract for an additional twelve-month period or portion thereof and the contractor mutually agrees, the Contractor shall be required to execute a supplement to the contract for the additional extension period.

## **5.19 PROPOSAL AS A PART OF THE CONTRACT**

Part or all of this RFP and the successful proposal may be incorporated into the contract.

## **5.20 ADDITIONAL TERMS AND CONDITIONS**

The State reserves the right to add terms and conditions during contract negotiations. These terms and conditions will be within the scope of the RFP and will not affect the proposal evaluations.

## **5.21 INSURANCE REQUIREMENTS**

Upon Contractor's execution of the contract or earlier, the Contractor agrees to deposit with the State of Hawaii certificate(s) of insurance necessary to satisfy the State that the following insurance provisions of this contract have been complied with and to keep such insurance in effect and the certificate(s) therefore on deposit with the State during the entire term of this contract, including those of its subcontractor(s), where appropriate. Upon request by the State, Contractor shall be responsible for furnishing a copy of the policy or policies.

The Contractor shall maintain in full force and effect during the life of this contract liability and property damage insurance to protect the Contractor and his subcontractors, if any, from claims for damages for personal injury, accidental death and property damage which may arise from operations under this contract, whether such operations be by himself or by a subcontractor or anyone directly or indirectly employed by either of them. If any subcontractor is involved in the performance of the contract, the insurance policy or policies shall name the subcontractor as additional insured.

As an alternative to the Contractor providing insurance to cover operations performed by a subcontractor and naming the subcontractor as additional insured, Contractor may require subcontractor to provide its own insurance which meets the requirements herein. It is understood that a subcontractor's insurance policy or policies are in addition to the Contractor's own policy or policies.

The following minimum insurance coverage(s) and limit(s) shall be provided by the Contractor, including its subcontractor(s) where appropriate.

**Coverage**  
Commercial General Liability (CGL)  
(occurrence form)

**Limits**  
\$1,000,000 combined single limit  
per occurrence for personal injury,  
bodily injury, and property damage

Each insurance policy required by this contract, including a subcontractor's policy, shall contain the following clauses:

1. "This insurance shall not be canceled, limited in scope of coverage or non-renewed until after 30 days written notice has been given to the State of Hawaii, Department of Accounting and General Services, State Procurement Office, P. O. Box 119, Honolulu, Hawaii 96810-0119."
2. "The State of Hawaii is added as an additional insured as respects to operations performed for the State of Hawaii."
3. "It is agreed that any insurance maintained by the State of Hawaii will apply in excess of, and not contribute with, insurance provided by this policy."

The minimum insurance required shall be in full compliance with the Hawaii Insurance Code throughout the entire term of the contract, including supplemental agreements.

Failure of the Contractor to provide and keep in force such insurance shall be regarded as material default under this contract, entitling the State to exercise any or all of the remedies provided in this contract for a default of the Contractor.

The procuring of such required insurance shall not be construed to limit Contractor's liability hereunder nor to fulfill the indemnification provisions and requirements of this contract. Notwithstanding said policy or policies of insurance, Contractor shall be obliged for the full and total amount of any damage, injury, or loss caused by negligence or neglect connected with this contract.

## **INVOICING**

Contractor shall submit original and three copies of the invoices to the following address. Invoice should reference both the contract number and the RFP number.

Department of Health  
Emergency Medical Services System  
3627 Kilauea Avenue, Room 102  
Honolulu, HI 96816

A tax clearance certificate, not over two months old, with an original green certified copy stamp, must accompany the invoice for final payment on the contract.

## **5.22 PAYMENTS**

Section 103-10, HRS, provides that the State shall have thirty (30) calendar days after receipt of invoice or satisfactory delivery of goods to make payment. For this reason, the State will reject any bid submitted with a condition requiring payment within a shorter period. Further, the State will reject any bid submitted with a condition requiring interest payments greater than that allowed by Section 103-10, HRS, as amended.

The State will not recognize any requirement established by the Contractor and communicated to the State after award of the contract, which requires payment within a shorter period or interest payment not in conformance with statute.

### **5.23 SUBCONTRACTING**

No work or services shall be subcontracted or assigned without the prior written approval of the Procurement Officer. No subcontract shall under any circumstances relieve the Contractor of its obligations and liability under this contract with the State. All persons engaged in performing the work covered by the contract shall be considered employees of the Contractor.

### **5.24 CONTRACT MODIFICATION**

The contract may be modified only by written document signed by the State Procurement Office and Contractor personnel authorized to sign contracts on behalf of the Contractor.

### **5.25 CONTRACT INVALIDATION**

If any provision of this contract is found to be invalid, such invalidation will not be construed to invalidate the entire contract.

### **5.26 INSPECTION & MODIFICATIONS - REIMBURSEMENT FOR UNACCEPTABLE DELIVERABLES**

The Contractor is responsible for the completion of all work set out in the contract. All work is subject to inspection, evaluation, and approval by the Contract Administrator. The State may employ all reasonable means to ensure that the work is being performed in compliance with the contract.

Should the Contract Administrator determine that corrections or modifications are necessary in order to accomplish its intent, the Contract Administrator may direct the Contractor to make such changes.

Substantial failure of the Contractor to perform the contract may cause the State to terminate the contract. In this event, the State may require the Contractor to reimburse monies paid (based on the identified portion of unacceptable work received) and may seek associated damages.

### **5.27 PROTEST**

A protest shall be submitted in writing within five (5) working days after the aggrieved person knows or should have known of the facts giving rise thereto; provided that a protest based upon the content of the solicitation shall be submitted in writing prior to the date set for receipt of offers. Further provided that a protest of an award or proposed award shall be submitted within five (5) working days after the posting of award of the contract.

The notice of award letter(s), if any, resulting from this solicitation shall be posted on the bulletin board between room 416 and room 420, 1151 Punchbowl Street, Honolulu, Hawaii 96813.

Any protest pursuant to §103D-701, HRS, and Section 3-126-3, HAR, shall be submitted in writing to the Procurement Officer, SPO, 1151 Punchbowl Street, Room 416, Honolulu, Hawaii 96813 or P. O. Box 119, Honolulu, Hawaii 96810-0119.

## **5.28 TERMINATION**

The State reserves and has the right, any time during the term of this contract, in its sole discretion, to terminate and cancel said contract in the public interest or for the convenience of the State; provided, that the State gives the Contractor written notice of any cancellation or termination no less than 120 calendar days prior to the effective date of such cancellation or termination. The Contractor's obligation under this contract shall continue until the specified termination date.

## **5.29 ADDITIONS, AMENDMENTS AND CLARIFICATIONS TO THE GTC**

### **Additions to the GTC:**

**Approvals.** Any agreement arising out of this offer may be subject to the approval of the Department of the Attorney General as to form, and is subject to all further approvals, including the approval of the Governor, required by statute, regulation, rule, order, or other directive.

**Cancellation of Solicitations and Rejection of Offers.** The solicitation may be cancelled or the offers may be rejected, in whole or in part, when in the best interest of the purchasing agency, as provided in §§3-122-95 through 3-122-97, HAR.

**Confidentiality of Material.** All material given to or made available to the Contractor by virtue of this contract, which is identified as proprietary or confidential information, will be safeguarded by the CONTRACTOR and shall not be disclosed to any individual or organization without the prior written approval of the STATE.

All information, data, or other material provided by the Offeror or the Contractor to the State shall be subject to the Uniform Information Practices Act, chapter 92F, HRS. The Offeror shall designate in writing to the Procurement Officer those portions of its unpriced offer or any subsequent submittal that are trade secrets or other proprietary data that the Offeror desires to remain confidential, subject to §3-122-58, HAR, in the case of an RFP, or §3-122-30, HAR, in the case of an IFB. The Offeror shall state in its written communication to the Procurement Officer, the reason(s) for designating the material as confidential, for example, trade secrets. The Offeror shall submit the material designated as confidential in such manner that the material is readily separable from the offer in order to facilitate inspection of the non-confidential portion of the offer.

Price is not confidential and will not be withheld. In addition, in the case of an IFB, makes and models, catalogue numbers of items offered, deliveries, and terms of payment shall be publicly available at the time of opening regardless of any designation to the contrary.

If a request is made to inspect the confidential material, the inspection shall be subject to written determination by the Office of the Attorney General in accordance with chapter 92F, HRS. If it is determined that the material designated as confidential is subject to disclosure, the material shall be open to public inspection, unless the Offeror protests under chapter 3-126, HAR. If the request to inspect the confidential material is denied, the decision may be appealed to the Office of Information Practices in accordance with §92F-15.5, HRS.

**Nondiscrimination.** No person performing work under this Agreement, including any subcontractor, employee, or agency of the Contractor, shall engage in any discrimination that is prohibited by any applicable federal, state, or county law.

**Records Retention.** The Contractor and any subcontractors shall maintain the books and records that relate to the Agreement and any cost or pricing data for three (3) years from the date of final payment under the Agreement.

**Correctional Industries.** Goods and services available through Correctional Industries (CI) programs may be the same or similar to those awarded by competitive sealed bids or proposals. Agencies participating in SPO requirements (price list) contracts may also procure directly from CI and shall not be considered in violation of the terms and conditions of any SPO contract.

**Year 2000 Compliance.** All appropriate hardware, software, and systems utilized for the work specified herein shall be year 2000 compliant.

#### **Amendments to the GTC:**

**Subsection 2.1 Competency of Offeror.** Paragraph one is rescinded and replaced with the following:

“Prospective Offeror must be capable of performing the work for which offers are being called. Either before or after the deadline for an offer, the purchasing agency may require Offeror to submit answers to questions regarding facilities, equipment, experience, personnel, financial status or any other factors relating to the ability of the Offeror to furnish satisfactorily the goods or services being solicited by the STATE. Any such inquiries shall be made and replied to in writing; replies shall be submitted over the signatures of the person who signs the offer. Any Offeror who refuses to answer such inquiries will be considered non-responsive.”

**Subsection 2.5 Preparation of Offer.** Paragraph four is rescinded and replaced with the following:

"An Offeror may submit only one offer in response to a solicitation. If an Offeror submits more than one offer in response to a solicitation, then all such offers shall be rejected. Similarly, an Offeror may submit only one offer for each line item (if any) of a solicitation. If an Offeror submits more than one offer per line item, then all offers for that line item shall be rejected."

**Subsection 3.1(B) Preference for Hawaii Products.** GTC §3.1(B), paragraphs one and two only are rescinded and replaced with the following: "A purchasing agency shall review all specifications in a bid or proposal for purchase from the Hawaii products (HP) list where these products are available; provided that the products: Meet the minimum specifications and the selling price f.o.b. jobsite; unloaded, including applicable general excise tax and use tax, does not exceed the lowest delivered price in Hawaii f.o.b. jobsite; and unloaded, including applicable general excise tax and use tax, does not exceed the lowest delivered price of a similar non-HP by more than: three per cent where class I HP are involved; five per cent where class II HP are involved; or ten per cent where class III HP are involved.

All persons submitting bids or proposals to claim HP preference shall designate in their bids which individual product and its price is to be supplied as a HP.

Where a bid or proposal contains both Hawaii and non-HP, then for the purpose of selecting the lowest bid or purchase price only, the price bid or offered for a HP item shall be decreased by subtracting therefrom: three per cent, five per cent, or ten per cent for the class I, class II, or class III HP items bid or offered, respectively. The lowest total bid or proposal, taking the preference into consideration, shall be awarded the contract unless the bid or offer provides for additional award criteria. The contract amount of any contract awarded, however, shall be the amount of the bid or price offered, exclusive of the preferences."

**Subsection 3.1(C) Printing Preference.** GTC §3.1(C), paragraphs one and two are rescinded and replaced with the following: "All bids or proposals submitted for a printing, binding, or stationery contract in which all work will be performed in-state, including all preparatory work, presswork, bindery work, and any other production-related work shall receive a fifteen per cent preference for purposes of bid or proposal evaluation.

Where bids or proposals are for work performed in-state and out-of-state, then for the purpose of selecting the lowest bid or evaluating proposals submitted only, the amount bid or proposed for work performed out-of-state shall be increased by fifteen per cent. The lowest total offer, taking the preference into consideration, shall be awarded the contract unless the solicitation provides for additional award criteria. The contract amount awarded, however, shall be the amount of the price offered, exclusive of the preference.

#### **Clarifications to the GTC:**

**Subsection 2.8 Certification of Offeror Concerning Wages, Hours and Working Conditions of Employees Supplying Services.** Section 103-55, HRS, amended by Act 149, SLH 1999, now applies to service contracts in excess of \$25,000 and also excludes professional personnel.

**GTCs Not Applicable.** Subsections 2.11 and 2.14 of the GTC that apply specifically to the RFP method of source selection are not applicable to IFBs. Also subsections 2.10 and 2.13 that apply specifically to the IFB method of source selection are not applicable to RFPs.



**SECTION SIX**  
**ATTACHMENTS**

- |               |                  |
|---------------|------------------|
| Attachment 1. | Offer Form       |
| Attachment 2. | Wage Certificate |

10/20/03

BILLING AND COLLECTION OF FEES  
FOR EMERGENCY AMBULANCE SERVICE  
STATE OF HAWAII DEPARTMENT OF HEALTH  
RFP-04-036-SW

Procurement Officer  
State Procurement Office  
State of Hawaii  
Honolulu, Hawaii 96813

Dear Sir:

The undersigned has carefully read and understands the terms and conditions specified in the Specifications and Special Provisions attached hereto, and in the General Terms and Conditions dated September 1, 1995 by reference made a part hereof and available upon request; and hereby submits the following offer to perform the work specified herein, all in accordance with the true intent and meaning thereof.

The undersigned further understands and agrees that by submitting this offer, 1) he/she is declaring his/her offer is not in violation of Chapter 84, Hawaii Revised Statutes, concerning prohibited State contracts, and 2) he/she is certifying that the price(s) submitted was (were) independently arrived at without collusion.

Date: \_\_\_\_\_

Respectfully submitted,

Telephone No.: \_\_\_\_\_

Fax No.: \_\_\_\_\_

e-mail Address: \_\_\_\_\_

(X) \_\_\_\_\_  
Authorized Signature (Original)

Payment address, if other than street  
address at right:

\_\_\_\_\_  
Name and Title (Please Type or Print)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Exact Legal Name of Company

Hawaii General Excise Tax Lic. I.D. No.:

\_\_\_\_\_  
Street Address

Social Security or Federal I.D. No.:

\_\_\_\_\_  
City, State, Zip Code

If offeror shown above is a "dba" or a "division" of a corporation, furnish the exact legal name of the corporation under which the contract, if awarded, will be executed:

\_\_\_\_\_

Offeror is:    ☐ Sole Proprietor    ☐ Partnership    ☐ Corporation    ☐ Joint Venture

State of incorporation:    Hawaii ☐    Other ☐ \_\_\_\_\_

**WAGE CERTIFICATE**  
**FOR SERVICE CONTRACTS**  
(See Special Provisions)

Subject: RFP No.:RFP-04-036-SW

Title of RFP: Billing and Collection Services for Department of Health, Emergency Medical Services & Injury Prevention System Branch

Pursuant to Section 103-55, Hawaii Revised Statutes (HRS), I hereby certify that if awarded the contract in excess of \$25,000, the services to be performed will be performed under the following conditions:

1. All applicable laws of the federal and state governments relating to workers' compensation, unemployment compensation, payment of wages, and safety will be fully complied with; and
2. The services to be rendered shall be performed by employees paid at wages or salaries not less than the wages paid to public officers and employees for similar work, with the exception of professional, managerial, supervisory, and clerical personnel who are not covered by Section 103-55, HRS.

I understand that failure to comply with the above conditions during the period of the contract shall result in cancellation of the contract, unless such noncompliance is corrected within a reasonable period as determined by the procurement officer. Payment in the final settlement of the contract or the release of bonds, if applicable, or both shall not be made unless the procurement officer has determined that the noncompliance has been corrected; and

I further understand that all payments required by Federal and State laws to be made by employers for the benefit of their employees are to be paid in addition to the base wage required by section 103-55, HRS.

Offeror \_\_\_\_\_

Signature \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

**WAGE CERTIFICATE**